

Modification Proposal 0270 – Aggregated Monthly Reconciliation for Smart Meters

Background

The Modification Panel determined to send the Proposal to development at its November 2009 meeting. The Development Workgroup was initially requested to report to the May 2010 Panel.

Progress Update

The 0270 Development Workgroup has held the following meetings:

10 December 2009

Agreed the terms of reference for submission to Panel. Agreed topics and actions for following meeting.

28 January 2010 (moved from 06 January due to snow)

xoserve provided an explanation of the current processes, as a baseline for the Proposal. Potential routes to a solution were discussed. The Transporters accepted an action to “Develop views on alternative options and their implications”, and Shippers to “Consider most promising options to develop”.

23 February 2010

The Proposer outlined six options that had been identified in discussion with other Shippers. These were debated and scored on the basis of “Do-ability” and “Effectiveness”.

23 March 2010

The Transporters provided their initial views on the six options identified at the previous meeting. Further debate narrowed down the options which merited further development, and the Proposer and National Grid agreed to draft business rules in support of the favoured option. It was agreed to meet again on 4 May, following publication of the business rules.

16 June 2010

The group met to discuss and refine the business rules which were published on 03 June. On the basis of the refined business rules, the Transporters were asked to consider meter read frequency and the costs associated through the provision of a ROM.

02 August 2010

The group made some further refinements to the business rules. Funding options were debated and the Proposer agreed to develop a “Club” based approach. Completion of the Development Workgroup Report was discussed, with wording agreed for how implementation might be expected to impact the Relevant Objectives. However, it was agreed that completion of the report should await the ROM.

30 September 2010

The ROM was published on 13 September, and the group discussed its implications. In light of the information provided, the group also revisited the other options that had been identified to gauge opinions on whether any of these were now worthy of further consideration. In light of this, the Proposer indicated that he would reconsider the options for moving the issue forward.

Request for Extension

8.3.7 of the Modification Rules provides that “No Modification Proposal shall, without the consent of the Authority, be in the Development Phase for more than twelve (12) months.”

The minutes of the first group meeting record that “RH reiterated that first: utility was looking for the most pragmatic way that was also commercially viable to take forward to its customers, without adversely affecting residual RbD in any way.” In light of the ROM, the Proposer indicated that it was not believed this ambition had been fulfilled. The intention had been to find a pragmatic solution that could be introduced quickly and at a reasonable cost. Given both the level of implementation costs and the timescales for delivery, plus the unavoidable cost of further analysis to establish the volumes that the system would be capable of supporting, the Proposer felt that no further progress could realistically be made with the identified option.

To allow time for consideration as to an appropriate way forward, and development of any identified alternative solution, the Authority’s consent is sought to the Proposal remaining in the Development Phase. It is suggested that this consent be granted on the basis that the Development Phase is extended to 15 months.